



NEWS RELEASE

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I-Bank Instrumental in Nut Processor's Expansion to Stockton Enterprise Zone

Sacramento, CA –The California Infrastructure and Economic Development Bank (I-Bank) Board today announced \$2.5 million in Industrial Development Bonds (IDBs) will be issued for Kennfoods USA, a tree nut processing company to be located in a designated Enterprise Zone in Stockton, California.

"I-Bank bonds combined with the California Enterprise Zone Program provide localities with the opportunity to revitalize their most impoverished areas," said I-Bank Executive Director Stan Hazelroth.

The I-Bank's IDB Program provides tax-exempt financing up to \$10 million for qualified manufacturing and processing companies for the construction or acquisition of facilities and equipment. IDBs allow private companies to borrow at low interest rates normally reserved for state and local governmental entities.

The Enterprise Zone Program targets economically distressed areas throughout California. Special state and local incentives encourage business investment and promote the creation of new jobs. The purpose of the program is to stimulate development by providing tax inducements to businesses.

"California Enterprise Zones give communities a chance to develop their economic potential, improve their quality of life and contribute to the state's economy. Enterprise Zones are part of the Administration's ongoing efforts to increase the number of jobs through state and local incentives," said Housing and Community Development Director Lynn L. Jacobs.

Kennfoods began operations in San Leandro in 2006, initially focusing on processing imported macadamia and cashew nuts. The company soon began processing more domestic and local nuts such as almonds, pecans and walnuts, and outgrew its facility. Unable to find a suitable facility to house its expanded production in San Leandro, Kennfoods located a building in Stockton that meets its space needs and is closer to local nut growers. Bond proceeds will be used for the purchase and rehabilitation of land and two adjacent buildings, located in a small business park in the South Stockton Enterprise Zone.

The I-Bank is the State of California's only general purpose financing authority and has broad statutory powers to issue revenue bonds, make loans, and provide credit enhancements for a public infrastructure and economic development projects throughout the State and for other governmental purposes. Through its Revenue Bond Programs, the I-Bank issues tax-exempt and taxable revenue bonds for qualified California manufacturing companies creating and retaining jobs in the state, for 501(c)(3) nonprofit entities to facilitate research, cultural and other public purposes, and for other governmental entities. The I-Bank also administers a low-interest loan program for municipal entities for a variety of public infrastructure.

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More information about the I-Bank is available at www.ibank.ca.gov.

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